

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by
5 changing Sections 7-109.3, 7-116, and 7-173.1 and adding
6 Section 7-142.2 as follows:

7 (40 ILCS 5/7-109.3) (from Ch. 108 1/2, par. 7-109.3)

8 Sec. 7-109.3. "Sheriff's Law Enforcement Employees".

9 (a) "Sheriff's law enforcement employee" or "SLEP"

10 means:

11 (1) A county sheriff and all deputies, other than
12 special deputies, employed on a full time basis in the
13 office of the sheriff.

14 (2) A person who has elected to participate in this
15 Fund under Section 3-109.1 of this Code, and who is
16 employed by a participating municipality to perform
17 police duties.

18 (3) A law enforcement officer employed on a full
19 time basis by a Forest Preserve District, provided that
20 such officer shall be deemed a "sheriff's law enforcement
21 employee" for the purposes of this Article, and service
22 in that capacity shall be deemed to be service as a
23 sheriff's law enforcement employee, only if the board of
24 commissioners of the District have so elected by adoption
25 of an affirmative resolution. Such election, once made,
26 may not be rescinded.

27 (4) A person not eligible to participate in a fund
28 established under Article 3 of this Code who is employed
29 on a full-time basis by a participating municipality or
30 participating instrumentality to perform police duties at
31 an airport, but only if the governing authority of the

1 employer has approved sheriff's law enforcement employee
 2 status for its airport police employees by adoption of an
 3 affirmative resolution. Such approval, once given, may
 4 not be rescinded.

5 (5) A person not eligible to participate in a fund
 6 established under Article 3 of this Code who is employed
 7 on a full-time basis by a participating municipality to
 8 perform police duties.

9 (b) An employee who is a sheriff's law enforcement
 10 employee and is granted military leave or authorized leave of
 11 absence shall receive service credit in that capacity.
 12 Sheriff's law enforcement employees shall not be entitled to
 13 out-of-State out-of-State service credit under Section 7-139.
 14 (Source: P.A. 90-448, eff. 8-16-97; revised 9-27-00.)

15 (40 ILCS 5/7-116) (from Ch. 108 1/2, par. 7-116)
 16 Sec. 7-116. "Final rate of earnings":

17 (a) For retirement and survivor annuities, the monthly
 18 earnings obtained by dividing the total earnings received by
 19 the employee during the period of either (1) the 48
 20 consecutive months of service within the last 120 months of
 21 service in which his total earnings were the highest or (2)
 22 the employee's total period of service, by the number of
 23 months of service in such period.

24 (b) For death benefits, the higher of the rate
 25 determined under paragraph (a) of this Section or total
 26 earnings received in the last 12 months of service divided by
 27 twelve. If the deceased employee has less than 12 months of
 28 service, the monthly final rate shall be the monthly rate of
 29 pay the employee was receiving when he began service.

30 (c) For disability benefits, the total earnings of a
 31 participating employee in the last 12 calendar months of
 32 service prior to the date he becomes disabled divided by 12.

33 (d) In computing the final rate of earnings: (1) the

1 earnings rate for all periods of prior service shall be
2 considered equal to the average earnings rate for the last 3
3 calendar years of prior service for which creditable service
4 is received under Section 7-139 or, if there is less than 3
5 years of creditable prior service, the average for the total
6 prior service period for which creditable service is received
7 under Section 7-139; (2) for out of state service and
8 authorized leave, the earnings rate shall be the rate upon
9 which service credits are granted; (3) periods of military
10 leave shall not be considered; (4) the earnings rate for all
11 periods of disability shall be considered equal to the rate
12 of earnings upon which the employee's disability benefits are
13 computed for such periods; (5) the earnings to be considered
14 for each of the final three months of the final earnings
15 period shall not exceed 125% of the highest earnings of any
16 other month in the final earnings period; and (6) the annual
17 amount of final rate of earnings shall be the monthly amount
18 multiplied by the number of months of service normally
19 required by the position in a year.

20 (e) For a person who withdraws from service on or after
21 the effective date of this amendatory Act of the 92nd General
22 Assembly with at least 20 years of service as a sheriff's law
23 enforcement employee, the final rate of earnings shall be the
24 rate of earnings in effect for the employee on the last day
25 of service as a sheriff's law enforcement employee if that
26 rate is greater than the final rate of earnings determined
27 under the other provisions of this Section.

28 (Source: P.A. 90-448, eff. 8-16-97.)

29 (40 ILCS 5/7-142.2 new)

30 Sec. 7-142.2. Optional plan of additional benefits and
31 contributions for sheriff's law enforcement employees.

32 (a) While this plan is in effect, a sheriff's law
33 enforcement employee may establish additional optional credit

1 for additional optional benefits by electing in writing at
2 any time to make additional optional contributions. The
3 employee may discontinue making the additional optional
4 contributions at any time by notifying the Fund in writing.

5 (b) Additional optional contributions for the additional
6 optional benefits shall be as follows:

7 (1) For service after the option is elected, an
8 additional contribution of 3% of salary shall be
9 contributed to the Fund on the same basis and under the
10 same conditions as contributions required under Sections
11 7-173 and 7-173.1.

12 (2) For service as a sheriff's law enforcement
13 employee before the option is elected, an additional
14 contribution of 3% of the salary for the applicable
15 period of service, plus interest at the effective rate
16 from the date of service to the date of payment. All
17 payments for past service must be paid in full before
18 credit is given. No additional optional contributions
19 may be made for any period of service for which credit
20 has been previously forfeited by acceptance of a refund,
21 unless the refund is repaid in full with interest at the
22 effective rate from the date of refund to the date of
23 repayment.

24 (c) Additional optional benefits shall accrue for all
25 periods of eligible service for which additional
26 contributions are paid in full. The additional benefit shall
27 consist of an additional 1% of the final rate of earnings for
28 each year of service for which optional contributions have
29 been paid, to be added to the employee retirement annuity
30 benefits as otherwise computed under Section 7-142.1. The
31 calculation of these additional benefits shall be subject to
32 the same terms and conditions as are used in the calculation
33 of retirement annuity under Section 7-142.1. The additional
34 benefit shall be included in the calculation of the automatic

1 annual increase in annuity and in the calculation of survivor
2 benefits, where applicable. However, no additional benefits
3 shall be granted that produce a total annuity greater than
4 the applicable maximum established for that type of annuity
5 in this Article.

6 (d) Refunds of additional optional contributions shall
7 be made on the same basis and under the same conditions as is
8 provided under this Article for other optional employee
9 contributions.

10 (e) Optional contributions shall be accounted for in a
11 separate Optional Contribution Reserve.

12 (f) Actuarial liabilities arising from optional employee
13 contributions made under this Section may be taken into
14 account when computing municipality contribution rates for
15 sheriff's law enforcement employees under subsection (c) of
16 Section 7-172.

17 (g) A sheriff's law enforcement employee may participate
18 in both the program of optional contributions created under
19 this Section and the program of additional contributions
20 provided for under subdivision (a)2 of Section 7-173. The
21 optional contributions made under this Section shall not be
22 included in the calculation of retirement annuity under
23 subdivision (a)2 of Section 7-142.

24 Optional contributions may be made under this Section
25 only with respect to service as a sheriff's law enforcement
26 employee. No optional service credit may be established
27 under this Section for any military service or for any
28 service originally earned under any other Article of this
29 Code. Optional service credit may be established for any
30 period of disability paid from this Fund, if the employee was
31 a sheriff's law enforcement employee at the time the
32 disability was incurred and makes additional optional
33 contributions for the period of disability.

34 (h) This plan of optional benefits and contributions

1 shall not apply to any former employee receiving an annuity
2 from the Fund who re-enters service, unless he or she renders
3 at least 3 years of additional service as a sheriff's law
4 enforcement employee after the date of re-entry.

5 (i) The effective date of the optional plan of
6 additional benefits and contributions created under this
7 Section shall be January 1, 2002 or the date upon which
8 approval is received from the U.S. Internal Revenue Service,
9 whichever is later.

10 (40 ILCS 5/7-173.1) (from Ch. 108 1/2, par. 7-173.1)
11 Sec. 7-173.1. Additional contribution by sheriff's law
12 enforcement employees.

13 (a) Each sheriff's law enforcement employee shall make
14 an additional contribution of 1% of earnings, which shall be
15 considered as normal contributions. For earnings on or after
16 July 1, 1988, the additional contribution shall be 2% of
17 earnings.

18 This additional contribution shall be payable for
19 retroactive service periods that ~~which~~ the employee elects to
20 establish and to periods of authorized leave of absence. A
21 sheriff's law enforcement employee may make such
22 contributions for any prior period of service in the Fund
23 that would be considered service as a sheriff's law
24 enforcement employee under Section 7-109.3 as that Section
25 exists at the time of application to make those
26 contributions.

27 (b) If the employee is awarded a retirement annuity
28 under Section 7-142 and not under Section 7-142.1, then the
29 additional contribution required under this Section shall be
30 refunded with interest or paid as provided in subsection (c).
31 If the employee returns to a participating status as a
32 sheriff's law enforcement employee, the employee may repay
33 the amount refunded with interest and upon subsequent

1 retirement be entitled to a recomputation of the retirement
2 annuity under Section 7-142.1 if the total service as a
3 sheriff's law enforcement employee meets the requirements of
4 that Section.

5 (c) Instead of a refund under subsection (b), the
6 retiring employee may elect to convert the amount of the
7 refund into an annuity, payable separately from the
8 retirement annuity. If the annuitant dies before the
9 guaranteed amount has been distributed, the remainder shall
10 be paid in a lump sum to the designated beneficiary of the
11 annuitant. The Board shall adopt any rules necessary for the
12 implementation of this subsection.

13 (Source: P.A. 90-766, eff. 8-14-98.)

14 Section 90. The State Mandates Act is amended by adding
15 Section 8.25 as follows:

16 (30 ILCS 805/8.25 new)

17 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
18 and 8 of this Act, no reimbursement by the State is required
19 for the implementation of any mandate created by this
20 amendatory Act of the 92nd General Assembly.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.